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RURAL AREAS  
DEVELOPMENT

# NEWSLETTER

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## TOWN LURES INDUSTRY BY IGNORING "THE RULES"

How does a small town far from major urban markets attract industry without offering low taxes or tax "holidays," bond financing to build factories, or nearness to major markets.

Hereford, Texas, does it by going where the industrialist is -- by immediate eye-to-eye confrontation with the prospect, and not seeming to listen when he says "no."

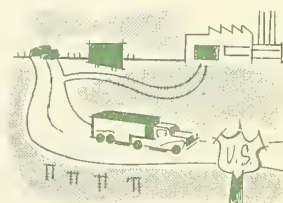
The town's key to success is a handful of civic leaders who cooperate informally to attract industry in whatever way seems best. They avoid careful planning and study sessions industrial development experts recommend.

In Hereford, there are no tax holidays; nor does the town build plants with bond money. Treeless high plains stretch to the horizon--scorching in summer (but cool at night), freezing in winter, and sometimes lashed by dust storms.

After the Civil War, an Army survey called the area "so barren that...it must always remain uninhabited by man and beast alike."

Yet since 1962, Hereford has landed 11 new industries, creating about 600 jobs and adding \$10 million a year to the town's economy -- and more plants are on the way.

Since 1962, population has increased 40 percent; expensive new ranch-type homes are stretching out into the plains; and bank deposits have increased 50 percent.



How does Hereford go about it? For example, to bring in one industry, a Federal law had to be changed. The town's 650 high school students, spurred by their teachers, swamped congressmen with 3,000 handwritten letters. About 70 growers associations in 10 States -- spurred by a Hereford civic leader -- each wrote its congressman. All of this, plus eye-to-eye confrontation with leaders in Washington, helped eventually to change the law.

Other towns are beginning to show Hereford's aggressiveness. For example, Tracy, California, plans to mail 2,000 personal letters to "presidents and chairmen of firms of every description." Trenton, Georgia, out-hustling competitors, brought in two industries. The citizens pledged \$45,000 to help attract

one of the plants -- and just before a site selection team arrived in town, the people washed down the courthouse square.

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#### PLANT TO ADD 300 JOBS, \$1.5 MILLION PAYROLL

A large plant to be built at Oxford, Mississippi, will employ 300 people and bring an additional payroll of \$1.5 million to the area.

It is billed as the world's largest single-press flakeboard plant, and will produce at a rate of more than 200 million square feet of 3/8-inch basis flakeboard. It will require about 130,000 cords of pulpwood yearly.

Secretary of Agriculture Orville L. Freeman dedicated the plant at a ground breaking ceremony June 27.

U. S. Plywood-Champion Papers, Inc., said it will buy most of the \$7 million plant's raw materials from private owners in the area. The Oxford-Lafayette County area has been called "the reforestation capital of the world." It is centered in about a half-million acres of once badly eroded privately-owned land now stabilized with pine plantations established as part of the Yazoo-Little Tallahatchie Flood Prevention Project. Pulpwood sized trees, ready for harvest predominate in the area.

The reforestation was started in 1948 under the auspices of the Soil Conservation Service, the Forest Service, and the Agricultural Stabilization and Conservation Service. The plywood company says it will continue good land management and timber harvesting practices.

Those credited with helping locate the plant include the Mississippi Agricultural & Industrial Board, the Lafayette County Board of Supervisors, the Oxford-Lafayette County Chamber of Commerce, the North Mississippi Development Association, and Northeast Electric Power Association.

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#### YES, THERE IS A WAY

One way to prevent modern cities from becoming vast, festering slums of under-skilled and underprivileged rural migrants is to develop the industrial and business potential of surrounding small towns.

An example of a community being revitalized is Glasgow, Missouri, 165 miles west of St. Louis. This town was once considered by some people as on the verge of going out of existence -- but not any more.

Since local leaders helped get things going in Glasgow, a new park and boat landing have been started. The town has qualified for \$450,000 in Federal aid -- from the Department of Housing and Urban Development--for 30 housing units for the aged and low-income families.



A development corporation is developing a five-acre site, splitting it into 25 building sites on which Farmers Home Administration is to finance medium to low-income homes. Plans developed by Farmers Home Administration and the Missouri State Extension Service will be used.

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Loans for three water districts also have been approved by Farmers Home Administration.

Hawthorne Finishing Factory has moved into the town and employed about 250 people to make sporting goods. Bob Monnig Iron Works has moved in and employed about 100 people to make cooling towers for large buildings' air conditioning units.

Young people are staying in Glasgow now because employment prospects are bright.

In 1966, a Technical Action Panel was formed in Howard County, and is working to get the county into an area planning group for comprehensive multi-county planning.

With modern highways, small towns have access to cultural, educational, and recreation resources of larger communities and cities. Most are within a half-hour of a larger community.

For example, people in Glasgow take adult education courses and go to art galleries and concerts in Columbia. They go to the theater in St. Louis and Kansas City.

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#### LOCAL PEOPLE BRING PROGRESS

Andrew Johnson, 17th U.S. President, is buried in Greenville, Tennessee, the town where he opened a tailor shop in 1826.

Davy Crockett was born in Greene County in 1786.

Greeneville is the site of the oldest chartered college west of the Alleghenies, Tusculum College, founded in 1794.

But until 1946, Greeneville, despite its illustrious past, was a town of 6,784 population with only a handful of industrial jobs scattered among a dozen small businesses.

Then a group of local citizens formed a non-profit industrial development organization--the Greene County Foundation, Inc. Since then, 39 plants have gone up in Greeneville, providing more than 5,000 jobs. The unemployment rate has dropped to 5.4 percent, compared with more than 20 percent before the group went into action.

Greeneville's population now is 14,060. It has more than 50 large and small commercial enterprises.

But the growth did not come without problems. The major one was that the town grew so quickly its water and sewer facilities couldn't keep up with the expansion. This problem was solved with financial help from the Economic Development Administration.

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Local officials credit the town's progress to good planning, broad participation, good zoning laws, and an intelligent land-use program.

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#### RECREATION AREA ATTRACTS INDUSTRY

A new recreation area in Scotland's Neck, North Carolina, is getting credit for attracting a \$3 million plant which has hired 100 people to make rubber thread.

And a textile company says it is going to build a plant in Enfield, with the recreation area at nearby Scotland's Neck again cited as a contributing factor.

The rubber thread plant is Carr-Fulflex, Inc. It has started operation with 100 people on the payroll, bringing an additional payroll of \$400,000 to the area. The plant expects to employ 250 people, with a \$1 million payroll, in three years.

The textile plant, Jay Vee Brand, Inc., is expected to be in operation by January 1, 1968. Initial employment is expected to be 100 persons, with a \$300,000 payroll.

The Scotfield Recreation Association facility getting credit for helping attract these plants was financed by loans of \$15,105 from Farmers Home Administration and member contributions of \$63,000.

The 175-acre recreation area consists of an 18-hole golf course, with pro shop, picnic areas, a community building, swimming pool, tennis courts, a boating and fishing lake, water supply and sewer systems, manager's quarters, and a playground.



The recreation area is available for use by the 175,000 residents of nine nearby communities.